

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6072-01
Bill No.: SB 904
Subject: Hospitals; Health Dept.; Licenses
Type: Original
Date: April 2, 2012

Bill Summary: Allows under certain circumstances outpatient-only ambulatory surgical centers to operate under a hospital license.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** assume the proposal will have no fiscal impact on their organization.

Section 197.217

Officials from the **Department of Health and Senior Services (DHSS)** state each licensed Ambulatory Surgical Center (ASC) pays a \$200 annual licensing fee. The proposed language expands the ASC geographic specifications that allow them to be considered part of the hospital for licensing purposes. The Division of Regulation and Licensure (DRL) estimated that there are up to 10 ASCs in Missouri that are hospital-owned and would fall under this expansion. This would result in an estimated annual decrease of up to \$2,000 in state general revenue.

Oversight assumes a reduction in General Revenue Funds of up to \$2,000 minimal and, therefore, will not indicate this reduction in revenues for fiscal note purposes.

Officials from the **Department of Social Services (DSS)** state this legislation allows outpatient only ambulatory surgical centers (ASC) to operate under the license of the hospital that owns and operates it as long as it still meets all the rules and regulations currently governing ambulatory surgical centers. ASCs will continue to be required to meet the design/construction standards, be inspected and surveyed as set forth by the Department of Health and Senior Services. Since ASCs are reimbursed by the MO HealthNet Division (MHD) on a fee schedule, MHD's reimbursement will not be affected by this change. Since there are not any additional requirements for MHD, there would not be additional costs for MHD. Therefore, this change would not have a fiscal impact on MHD.

No hospitals responded to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2013 (10 Mo.)	 FY 2014	 FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

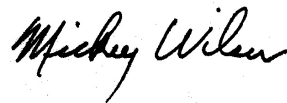
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions, and Professional Registration
Department of Health and Senior Services
Department of Social Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 2, 2012